



# **FACTORS AFFECTING THE PRICE OF HOUSING IN MALAYSIA**

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**BACHELOR OF BUSINESS ADMINISTRATION  
(HONS) FINANCE**

**FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
JOHOR.**

**07<sup>TH</sup> DECEMBER 2014**

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**Submitted in Partial Fulfilment  
Of the Requirement for the  
Bachelor of Business Administration  
(Hons) Finance**

**FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA,  
JOHOR**

**07<sup>TH</sup> DECEMBER 2014**

DECLARATION OF ORIGINAL WORK



BACHELOR OF BUSINESS ADMINISTRATION

(HONS) FINANCE

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA

JOHOR

“DECLARATION OF ORIGINAL WORK”

Fadhilah Binti Mohd Kasim I/C number 920529-14-6264

Hereby, we declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## LETTER OF SUBMISSION

07<sup>th</sup> December 2014

Puan Nur'asyiqin Ramdhan  
Department of Finance  
Scholl of Business and Management  
UITM Johor, Segamat, Johor  
Box 527, 85000 Segamat  
Johor, Malaysia.

Dear Sir,

### SUBMISSION OF PROJECT PAPER

Attached is the project paper titled **“Factors Affecting the Price of Housing in Malaysia”** to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

.....  
(FADHILAH BINTI MOHD KASIM)  
Bachelor of Business Management (Hons) Finance

## **ABSTRACT**

This paper aim at finding out determinants factors affecting housing price in Malaysia. The determinants are being measure in order to know whether it affect the price of housing in Malaysia. Interact software package E-view would be used for the testing and analysing the data collected. The determinants are flaws within gross domestic product (GDP, population, inflation rate and lending interest rate (IR). The study is an attempt to investigate and examine the housing price volatility in Malaysia over 1989-2012. Findings from previous research papers mostly on an in-depth understanding of house price volatility that is essential for housing investors and the policy makers (government). This study also has the implications for the investors and policy makers in which housing investors should estimate the conditional variance of a housing market in respect to the volatility of housing series is not always constant over time. Furthermore, policy makers should address the importance of considering the sub-national factors in formulating the national housing policy. The analysis and result of this research are limited by the quality of the data. The result of this paper would provide us with the indicate view and the factors that can affect the volatility of housing price in Malaysia.